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ABSTRACT

The purpose of this pamphlet is to teach the value of money, to understand the numbers and symbols on U.S. dollar bills, and to provide the history and facts behind U.S. currency. The following words, symbols, or numbers on dollar bills are identified: (1) legal tender; (2) Federal Reserve Note; (3) Federal Reserve Bank's seal and code letter; (4) treasury seal; (5) serial numbers; (6) faceplate numbers and letters; (7) series identification; and (8) the portraits and the designs. Points of interest, other types of U.S. currency, and the Great Seal of the United States are also explained. (DJC)

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Dollar Points

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Dollar Points

Did you ever stop to think "What is a dollar?" It's more than a piece of paper printed with green and black ink. It's money — it's money because it serves us in three ways.

It is a medium of exchange — we can and do use dollar bills to buy things we need and want because dollars are designated as legal tender.

It is a standard of value — things we buy and sell are valued in terms of a dollar.

And it serves as a store of value — we can work now and save the value of that work by saving dollars.

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The United States Government authorizes paper money — currency — of certain denominations and in some cases certain amounts. The authorized currency is legal tender. Basically, this means creditors may not refuse this money in payment for any debt expressed in terms of that money — assuring the United States of a single, reliable medium through which transactions can be conducted. However, this does not mean that a merchant must accept a dollar bill. If he feels the bill is counterfeit, for example, he may demand some other form of payment.

The dollar was first adopted as our unit of money in 1785. In 1792, the first dollar was issued, but it was not a dollar bill as we know it — it was a coin. The first paper money issued by the Government was not authorized until 1861. The physical characteristics of our money have been changed many times since then. Paper money currently in circulation is printed by the Bureau of Engraving and Printing, part of the Treasury Department, in Washington, D.C.

OTHER POINTS OF INTEREST ...

Did you know ... that more than half of a dollar bill is considered legal tender?

And only the front of a dollar bill is valuable? If you were able to separate the front of a bill from the back, only the front half would be considered "money."

And until 1929 our currency measured 7.42 x 3.13 inches. Since then, currency has measured 6.14 x 2.61 inches — an easier size to handle and store.

Today's Currency

FEDERAL RESERVE NOTES...

2 Most of our currency — over 99 percent — is Federal Reserve Notes. The Government has authorized the twelve Federal Reserve Banks to issue notes in denominations of $1, $2, $5, $10, $20, $50, and $100. Before 1945, notes were also printed in denominations of $500, $1000, $5000, and $10,000. These notes of larger denominations were issued until 1969. At that time, they were discontinued since there was little demand for them. After all, it is easier and safer to write a check for $5000 than to use a $5000 bill.

3 Take a look at a dollar bill — it probably is a Federal Reserve Note. To the left of the portrait is a seal of the Federal Reserve Bank which issued that note. The seal bears the name and the code letter of that Bank. Which Federal Reserve Bank issued your currency?

4 To the right of the portrait is the Treasury seal which is overprinted on the face of each note. This seal and the serial numbers are printed in green.

OTHER TYPES OF CURRENCY...

Many other types of currency have been issued over the years. Regardless of when it was first issued, all currency authorized by the United States Government is still legal tender.

U. S. Notes were first issued during the Civil War. These notes were commonly referred to as "greenbacks." Today, about $323 million of U.S. Notes are still outstanding, mostly in $100, $5 and $2 denominations. By law, the Treasury must keep the amount of U.S. Notes outstanding at about $323 million.

National bank notes were issued by national banks until 1935. Gold Certificates, currency which could be exchanged for gold, were issued until 1934. At that time most of these certificates were removed from circulation. Those still in circulation are legal tender, but they are not redeemable for gold.

Silver Certificates were issued until 1957. One dollar denomination Silver Certificates made up most of the $1 bills until the first $1 Federal Reserve Notes were issued in 1963. Silver Certificates could be converted to silver until 1968. This was terminated because the Treasury's stockpile of silver was being depleted as people converted their Certificates into silver, hoping that the price of the metal would continue to rise.

The Mystery Numbers

Every dollar bill printed has several identifying numbers. There are the serial numbers, the faceplate numbers and letters, and the series year. Each is important in identifying where and when the note was printed.

SERIAL NUMBERS ...

5

No two serial numbers are alike for two bills of the same denomination, type or series of note. The serial numbers appear in the upper-right and lower-left corners of a bill. A prefix letter, eight numbers and a suffix letter make up the serial number.

On Federal Reserve Notes, the prefix letter corresponds to the issuing Federal Reserve Bank's code letter. This is the letter in the Federal Reserve seal. The notes are numbered in lots of 100 million. The 100 millionth note is designated by a ☆. The suffix letter designates the run, A being the first, B the second, through Z. O is omitted because of its similarity to zero. So, the first note of a denomination and series issued by the Federal Reserve Bank of Boston would have the serial number A 00000001 A. If the issuing bank was New York, the number would be B 00000001 A.

STAR NOTES ...

Sometimes the prefix or suffix letter is replaced by a star ☆. This means a note was damaged during printing. The damaged note is replaced with a star note. The notes are exactly the same, except there is a different series of serial numbers, and a star replaces one of the letters. On U.S. Notes, the star replaces the prefix letter; on Federal Reserve Notes the star replaces the suffix letter.

Example: ☆ 00000678 A would be a U. S. Note; A 00000678☆ would be a Federal Reserve Note.

FACEPLATE NUMBERS AND LETTERS . . .

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Other identifying numbers on a note are the faceplate numbers and letters. You can see these numbers in the lower-right and upper-left corners of a bill.

In the left corner is the Note Position Number. This is the Note Position Letter and a quadrant number. The combination indicates the position of the note on the plate from which it was printed.

In the lower-right corner, the Note Position Letter is followed by the Plate Serial Number. This identifies the plate from which the note was printed. The Plate Serial Number for the reverse side of the note is in the lower-right corner, just inside the ornamental border on the reverse of the bill.

On the sample, the Note Position Letter is G, the quadrant number is 1; and the Plate Serial Number is 837.

The serial number and the faceplate numbers and letters are important aids in the detection of counterfeit bills. Businesses and banks may have lists of notes with certain numbers and letters which are known to be counterfeit. If they receive one of the bogus bills it is easy to identify it.

SERIES . . .

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The series identification shows the year that the design for the notes was first used. Small changes in the design — such as changes in the signatures of the Treasurer of the United States or the Secretary of the Treasury — are designated by a letter below the series year. For example, Series 1969 D means the design was first used in 1969 and was slightly changed four times.

Designs On The Dollar

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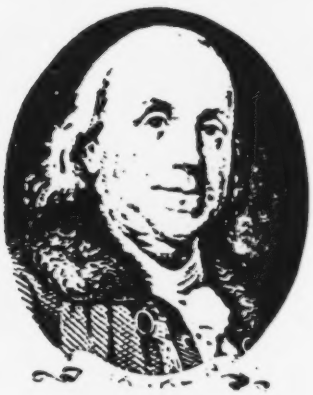
The portraits on our paper money are those of deceased American statesmen. On the reverse side are famous buildings, monuments and ornate numerals. The uniform back designs were adopted in 1929. Portraits and emblems presently on our currency are as follows:

Denominations	Portrait	Emblem
$1	Washington	Great Seal of the U.S.
2	Jefferson	Signing of Declaration of Independence
5	Lincoln	Lincoln Memorial
10	Hamilton	U.S. Treasury Building
20	Jackson	White House
50	Grant	U.S. Capitol
100	Franklin	Independence Hall
500	McKinley	Ornate 500
1000	Cleveland	Ornate 1000
5000	Madison	Ornate 5000
10,000	Chase	Ornate 10,000



The Great Seal of the United States, adopted in 1782, appears on the back of the one dollar bill. The front of the seal shows an American bald eagle behind our national shield. The eagle holds an olive branch — symbolizing peace — with 13 berries and 13 leaves. In the left talon, the eagle holds 13 arrows — symbolizing war. The 13 units represent the original colonies. The eagle's head is turned toward the olive branch showing a desire for peace.

The top of the shield represents the Congress, the head of the eagle represents the Executive branch, and the nine tail feathers represent the Judiciary branch of our Government. The motto, *E Pluribus Unum,* on the ribbon held in the eagle's beak, means "Out of Many, One."

On the reverse of the seal is a pyramid with 1776 in Roman numerals at the base. The pyramid stands for permanence and strength. The pyramid is unfinished, signifying the United States' future growth and goal of perfection. A sunburst and an eye are above the pyramid standing for the Deity. The 13 letter motto, *Annuit Coeptis,* means "He Has Favored Our Undertakings." Below the pyramid the motto, *Novus Ordo Seclorum,* means "A New Order of the Ages," standing for the new American era.

The most recent major change in the design of our currency was the addition of the inscription, "In God We Trust." The motto first appeared on a U.S. coin in 1864. However, it was not until 1955 that a law was passed which stated that thereafter all new designs for coin and currency would bear the inscription.

FEDERAL RESERVE BANKS AND CODE LETTERS

1	Boston	A	7	Chicago	G
2	New York	B	8	St. Louis	H
3	Philadelphia	C	9	Minneapolis	I
4	Cleveland	D	10	Kansas City	J
5	Richmond	E	11	Dallas	K
6	Atlanta	F	12	San Francisco	L

Federal Reserve Bank of Boston